



THE TRANSPARENCY ACT & SUB-GRANTING REPORTING REQUIREMENTS

Information for State Arts Agencies, Regional Arts Organizations,
and designated Local Arts Agencies

updated September 2012

What is the Transparency Act?

The Federal Funding Accountability and Transparency Act (*FFATA or Transparency Act - P.L. 109-282, as amended by section 6202(a) of P.L. 110-252*) requires the Office of Management and Budget (OMB) to maintain a single, searchable website that contains information on all Federal spending awards. That site is www.USASpending.gov.

The Transparency Act's definition of "Federal awards" included not only prime awards for grants, cooperative agreements, loans, and contracts, but also sub-awards. Prime awards are reported monthly to USASpending.gov by Federal grantmaking agencies; subawards made under these prime awards are subsequently reported by the prime award recipient, further enhancing the transparency of federal spending.

What is a sub-award?

OMB guidance defines a sub-award as a monetary award made as a result of a Federal award to a **grant recipient** (i.e., the NEA award to a State Arts Agency, Local Arts Agency, or Regional Arts Organization) that is then disbursed to a **sub-recipient**. (Note: regardless of whether you call your awards grants or contracts, they are considered grants for purposes of this reporting.)

What Federal awards are subject to these new reporting requirements?

NEA awards issued after October 1, 2010 are subject to all Transparency Act sub-grant reporting requirements. This includes all grants and cooperative agreements issued in FY11 and later (i.e., award numbers beginning with 11-XXXX-XXXX or 12-XXXX-XXXX and cooperative agreements numbers beginning with DCA-2011-XX or DCA-2012-XX) that are approved for sub-granting activity.

Note: Transparency Act reporting requirements affect only sub-awards of \$25,000 or more in Federal funds. Sub-awards that include a lesser Federal amount do not need to be reported through this system.

Where do eligible NEA sub-granting organizations report this information?

Prime awardees (you) report on their sub-awards using the FFATA Sub-award Reporting System (FSRS) at www.fsr.gov. You must register to use the reporting system; please follow the instructions at https://www.fsr.gov/awardee_registration.

How is this information reported?

You begin by entering your NEA award number (exactly as it appears on your award letter, including letters and hyphens); this will automatically link the report to the NEA's award number and data. Much like the Recovery Act reporting mechanism, this system will then pre-populate information that already exists in databases such as the System for Award Management (SAM, formerly known as the Central Contractor Registration System or CCR) and DUNS. Unlike the Recovery Act, however, basic award data will also pre-populate based on information that the NEA reports on your award to www.USASpending.gov. Please also note that only you can submit reports; your sub-awardees do not report their own information.

Note: All sub-awardees MUST have a Dun & Bradstreet (DUNS) number.

What information must be reported as part of the Transparency Act?

The following data is required for each sub-award obligated with \$25,000 or more of Federal funds:

- Information will pre-populate
- a. Name of entity receiving award
 - b. Amount of award
 - c. Funding agency (i.e. National Endowment for the Arts)
 - d. Federal CFDA program number
 - e. Program source
 - f. Award title descriptive of the purpose of the funding action
 - g. Location of the entity (including congressional district)
 - h. Place of performance (including congressional district)
 - i. Unique identifier of the entity (aka the DUNS) and its parent, if appropriate; and
 - j. Total compensation and names of top five executives (same threshold as for primes)

Note: We do not expect our grantees to have to report on executive compensation. If you believe otherwise, please contact us prior to reporting. Remember, this is required only if:

- a. More than 80% of annual gross revenues from the federal government, **and** those revenues are greater than \$25 million annually **and**
- b. The public doesn't have access to information about the compensation of the top five executives through periodic reports filed under section:
 - 6104 of the Internal Revenue Code of 1986 (e.g., 990s);
 - 13(a) or 15(d) of the Securities Exchange Act of 1934 (15USC 78m(a), 78o(d)); or through reports made available for state, local or county governments.

What is the deadline for reporting this information?

You have until the end of the month plus one additional month after a sub-award is obligated (legally issued) to fulfill the reporting requirement. For example, if a sub-award was made on August 15, 2012, you have until September 30, 2012 to report the sub-award information.

Note: The NEA does not know when you make your sub-awards; therefore, we cannot send reporting reminders. You are responsible for ensuring your organization's compliance with this reporting requirement.

Is this data displayed to the public?

Yes. Report data is displayed to the public via www.USASpending.gov under the "Sub-Award Spending Data" section.

General Terms and Conditions for NEA awards

These Transparency Act sub-recipient reporting requirements are included in the General Terms and Conditions for your award. Remember that as a prime recipient, you are responsible for monitoring your sub-recipient organizations to ensure compliance with all other Federal and agency requirements as outlined and/or referenced in the General Terms.

Registration and Reporting in FSRS.gov

Detailed reporting guidance can be found in the Resources section of the FSRS website. For technical assistance, refer to the Federal Service Desk online Answer Center at fsd.gov, or call 866-606-8220.

If you have program-related questions or concerns regarding Transparency Act reporting, please contact Carrie Holbo, Grants Specialist, at (202) 682-5480 or holboc@arts.gov.